



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

January 12, 2009

Transmitted Via E-Mail

Robert McCullough, Vice President Human Resources/Legal
New United Motors Manufacturing, Inc.
45550 Fremont Blvd.
Fremont, CA 94538-6368
rmccullough@nummi.com

Dear Mr. McCullough:

RE: FINAL MONITORING VISIT REPORT for ET07-0138

Date of the Visit:	11/4/08
Beginning/Ending Time:	12:00 p.m. – 3:45 p.m.
Date of Last Visit:	3/25/08
Visit Location:	Fremont
Persons in attendance:	John Twomey, Integrated Solutions, Teresa Teles, Employment Training Panel (ETP);
Action Required:	NO

CONTRACT INFORMATION:

Term of Agreement:	07/31/06 - 07/30/08	Agreement Amount:	\$6,006,540
Allowed Training Start Date:	07/31/06	No. to Retain:	2,029
Date Training must be Completed:	4/30/08	Range of Hours:	24 - 1,000
Type of Trainee:	Retrainee	Weighted Ave. Hours:	Job 1-233 Job 2-281

FINAL REPORT SUMMARY:

HISTORY OF AGREEMENT CHANGES

ETP approved one Agreement Modification on May 1, 2008, which reduced funds in Job 1 and created Job 2.

SACRAMENTO CENTRAL OFFICE
1100 J Street, 4th Floor
SACRAMENTO, CA 95814
(916) 327-5640

N. HOLLYWOOD REGIONAL OFFICE
4640 Lankershim Blvd., Suite 311
NORTH HOLLYWOOD, CA 91602
(818) 755-1313

S.F. BAY AREA REGIONAL OFFICE
1065 East Hillsdale Blvd, Suite 415
FOSTER CITY, CA 94404
(650) 655-6930

SAN DIEGO REGIONAL OFFICE
5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
(619) 686-1920

www.etp.ca.gov
ETP (04/15/05)

INTERVIEW WITH THE SIGNATORY

Several requests were sent to NUMMI staff to respond to the questions below but no responses were received to date. The request was last discussed with your representative on December 19, 2008, and if the information is received it will be forwarded to ETP's Planning and Research.

- What barriers, if any, did your company experience in implementing your ETP project?
- What problems, if any, did your company experience with ETP record keeping?
- What assistance could ETP have provided that would improve the process for future Contractors?
- How did your company benefit from the ETP training?

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Trainees Started Training:	Job 1-2410 Job 2-49	Completed Maximum Hours:	Job 1-55 Job 2-11
Trainees Enrolled:	Job 1-2543 Job 2-49	Completed Training and Retention:	Job 1-2410 Job 2-49
Dropped Following Enrollment:	Job 1-124 Job 2-0		

NUMMI records show that 2,459 trainees have completed the 90 day retention period (121% of planned retentions) and earned \$5,613,064 (93% of the encumbered amount). The closeout invoice was submitted and processed by ETP.

ATTENDANCE ROSTERS:

The rosters reviewed by Ms. Teles verified the completion of training for a sample of trainees and supported the hours entered on ETP's Tracking System except for three trainees that had duplicate hours in the **Trainees with more than 10 training hours report**.

Ms. Teles approved the following to correct the hours because trainees had already been invoiced for the second progress payment or for final payment:

Francisco Leyva (Job 1):

- Replaced roster 669 with rosters 741 and 792.
- Retention changed but at the end of retention he was still employed by NUMMI.
- No change in wage

Francisco Leyva and Job Ortega (Job 2)

- Rosters 1715 was a duplicate and was deleted and hours reduced
- No change to retention

Dexter Siga (Job 2)

- Roster 951 duplicate, replaced with roster 2794
- Retention changed by 1 day but he is still employed by NUMMI
- No change is wage

AUDIT:

NUMMI will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Teresa Teles at (650) 655-6940 or at tteles@etp.ca.gov within ten (10) working days from receipt of this report.

Sincerely,



Creighton Chan, Manager
San Francisco Bay Area Regional Office



Teresa Teles, Analyst
San Francisco Bay Area Regional Office

cc: Toni De Anda, NUMMI, IDeAnda@nummi.com
John Twomey, Integrated Solutions, pjtwomey@aol.com
Kulbir Mayall, Manager, Fiscal and Certification
Master File
Project File

Date report mailed to Contractor 1/12/09